

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

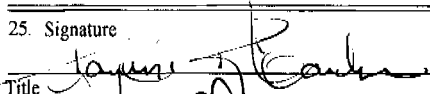
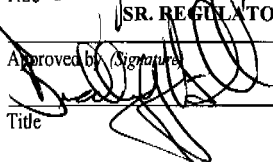
FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0281
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. CHAPITA WELLS UNIT 720-12
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-38696
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 902 FSL 1928 FWL SE/SW 40.045758 LAT 109.390808, LON 40.045821 At proposed prod. zone SAME 4433874Y -109.390814		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 48.7 MILES SOUTH OF VERNAL UTAH		11. Sec., T. R. M. or Blk. and Survey or Area SECTION 12, T9S, R22E S.L.B.&M
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 902 LEASE LINE	16. No. of acres in lease 2558	12. County or Parish UINTAH
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 38	19. Proposed Depth 7420	13. State UT
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4819 GL	22. Approximate date work will start*	17. Spacing Unit dedicated to this well VACATED
		20. BLM/BIA Bond No. on file NM 2308
		23. Estimated duration 45 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature 	Name (Printed/Typed) KAYLENE R. GARDNER	Date 10/03/2006
Title SR. REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 10-12-06
Title ENVIRONMENTAL MANAGER		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

Federal Approval of this
Action is Necessary

RECEIVED
OCT 05 2006
DIV. OF OIL, GAS & MINING

T9S, R22E, S.L.B.&M.

EOG RESOURCES, INC.

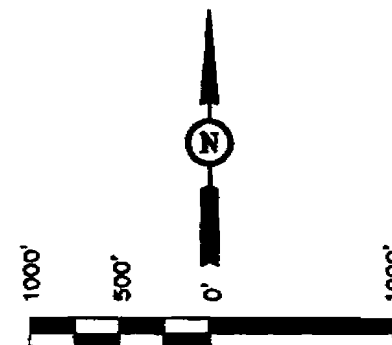
Well location, CWU #720-12, located as shown in the SE 1/4 SW 1/4 of Section 12, T9S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

CERTIFIED

THIS IS TO CERTIFY THAT THE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

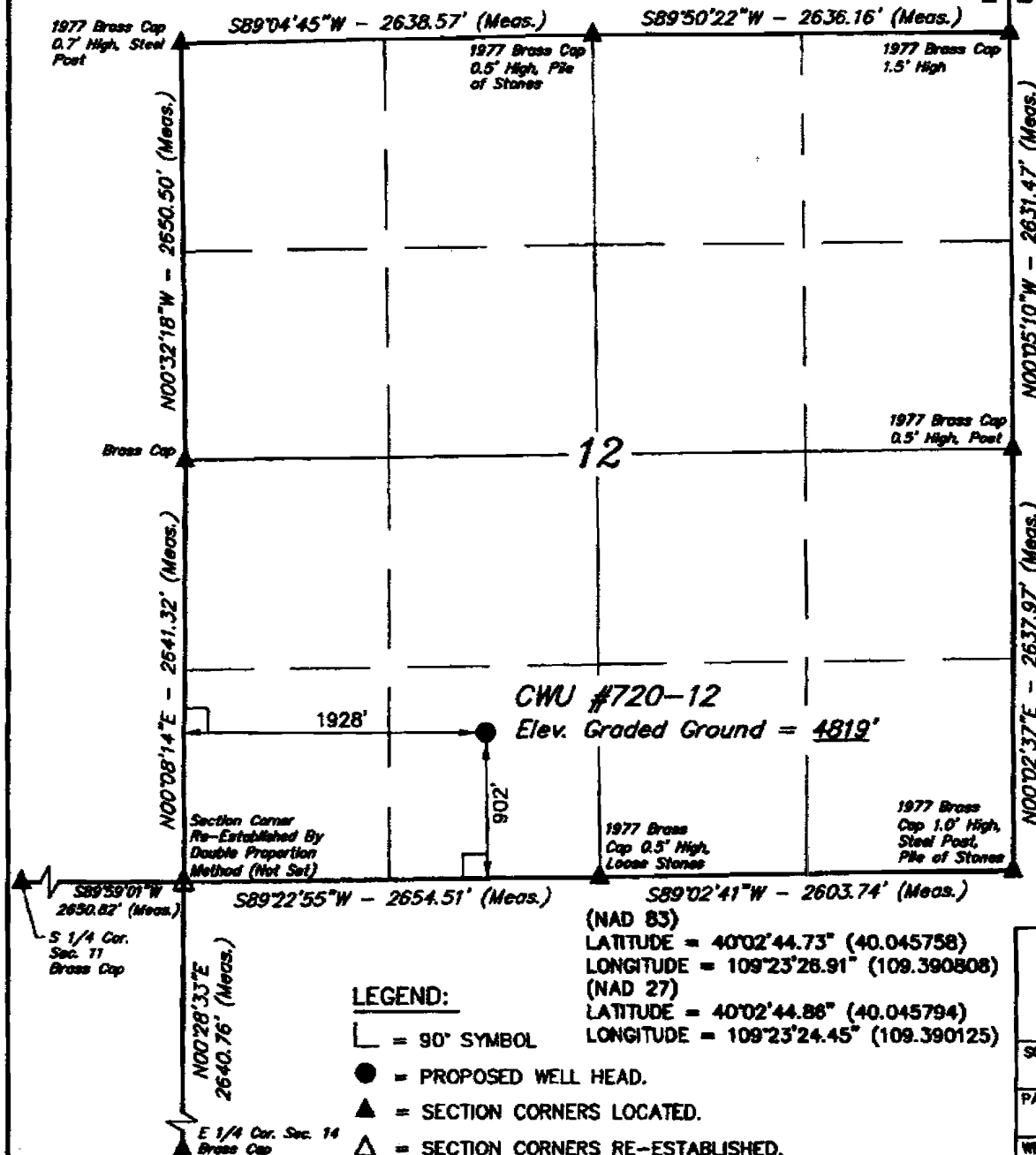
REGISTERED LAND SURVEYOR
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 09-01-06	DATE DRAWN: 09-06-06
PARTY G.S. S.L.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE EOG RESOURCES, INC.	

LEGEND:

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED.
(Not Set On Ground)



EIGHT POINT PLAN

CHAPITA WELLS UNIT 720-12 SE/SW, SEC. 12, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River FM	1,715'
Wasatch	4,834'
Chapita Wells	5,460'
Buck Canyon	6,116'
North Horn	6,674'
KMV Price River	7,218'

Estimated TD: 7,420' or 150± below Price River top

Anticipated BHP: 4,050 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

							<u>RATING FACTOR</u>		
	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COLLAPSE /BURST/ TENSILE</u>		
Conductor:	17 ½"	0' – 45'	13 ⅝"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.
All casing will be new or inspected.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 720-12 **SE/SW, SEC. 12, T9S, R22E, S.L.B.&M.** **UINTAH COUNTY, UTAH**

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

EIGHT POINT PLAN

CHAPITA WELLS UNIT 720-12
SE/SW, SEC. 12, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 145 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 540 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.
Final Cement volumes will be based upon gauge-hole plus 45% excess.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 720-12
SE/SW, SEC. 12, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface ~ 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

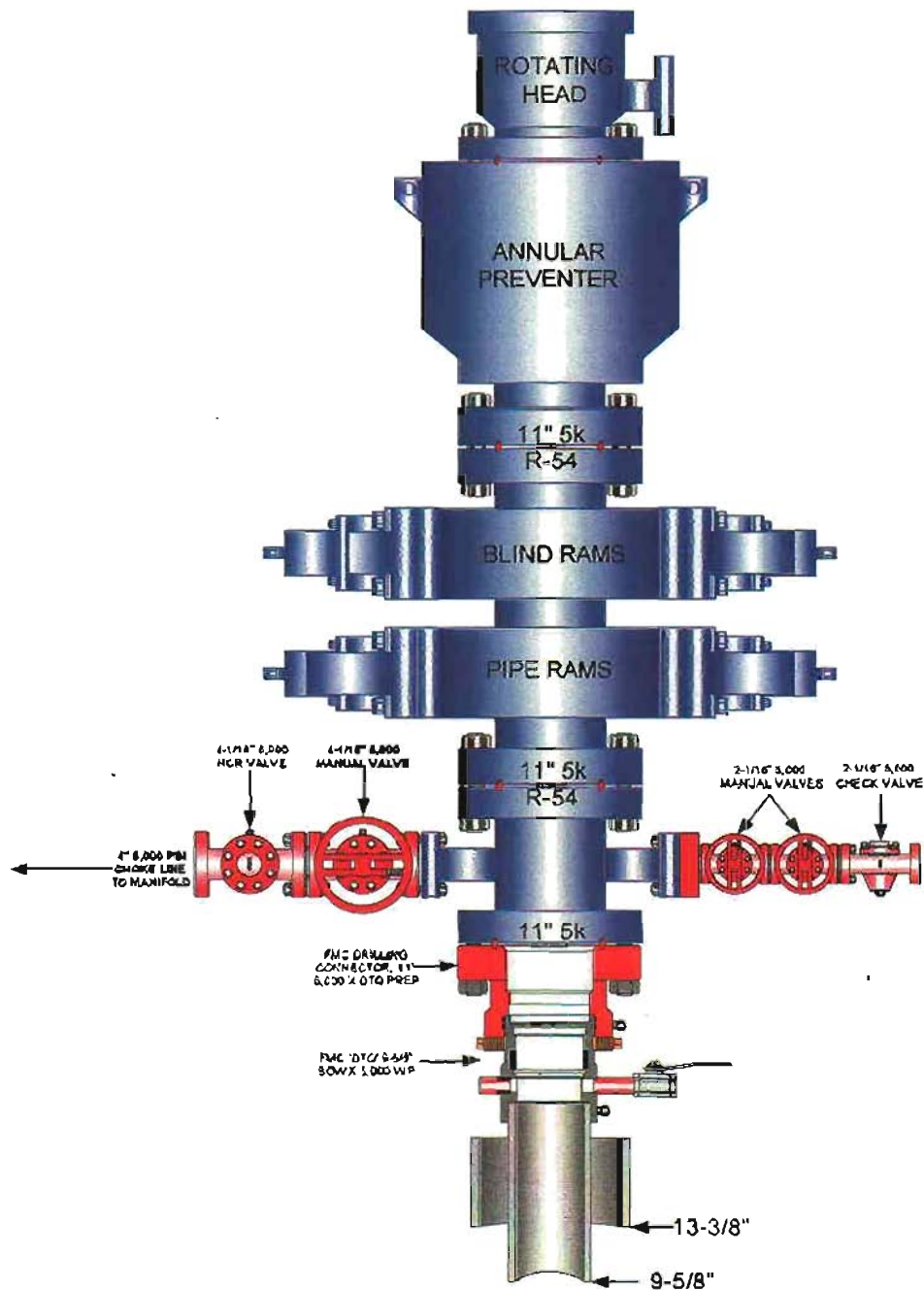
12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

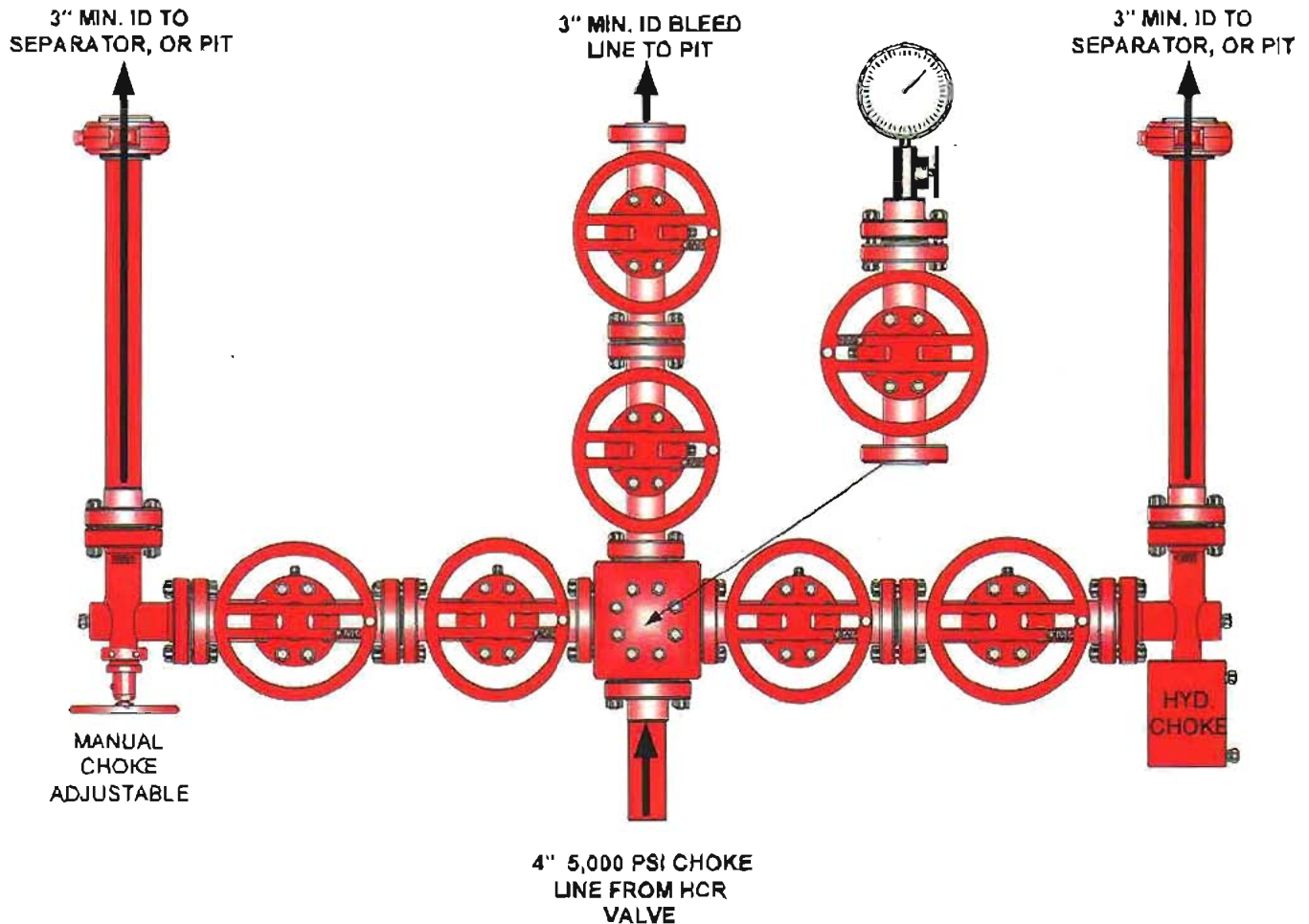
**EOG RESOURCES 11" 5,000 PSI W.P. BOP
CONFIGURATION**

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 OF



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, **whichever is greater.**
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



**CHAPITA WELLS UNIT 720-12
SESW, Section 12, T9S, R22E
Uintah County, Utah**

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

- | | |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| Location Construction: | Forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion: | Prior to moving on the drilling rig. |
| Spud Notice: | At least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing: | Twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and related Equipment Tests: | Twenty-four (24) hours prior to running casing and tests. |
| First Production Notice: | Within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The proposed access road is approximately 150 feet long with a 30-foot right-of-way, containing 0.10 acre more or less. New surface disturbance associated with access road and the well pad is estimated to be approximately 1.94 acres.

No off lease right-of-way will be required

1. EXISTING ROADS:

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 48.7 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 150' in.
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. No permanent road right-of-way on Federal acreage is required.

All travel will be confined to existing access road right-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking.

The road shall be constructed/upgraded to meet the standards to the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading the road shall be cleared of any snow cover and allowed to dry

completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.
3. The area inside the anchors where truck traffic will occur shall be graveled as needed.

B. Off Well Pad

No off well pad pipeline will be required. Pipeline will tie into existing Chapita Wells Unit 976-12.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All existing facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the southwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil north of corner #5. The stockpiled location topsoil will be stored between corners #6 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the north.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Producing Location

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Crested Wheatgrass	9.0
Prostrate Kochia	3.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Gardner saltbush	3.0
Shadscale	3.0
Crested Wheatgrass	3.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" and "Right-of-Way grant", if applicable, will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and will be submitted by Montgomery Archaeological Consultants. A Paleontology survey was conducted and will be submitted by Stephen Sandau.

ADDITIONAL SURFACE STIPULATIONS:

No construction or drilling will be allowed during the red tail hawk nesting season of April 1 to July 15 unless clearance has been obtained by the BLM wildlife biologist.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Kaylene R. Gardner
EOG Resources, Inc.
P.O. Box 1815
Vernal, Ut 84078
(435) 781-9111

DRILLING OPERATIONS

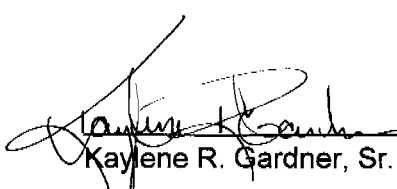
Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
307-276-4865

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 720-12 well, located in SESW, of Section 12, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

October 3, 2006

Date


Kaylene R. Gardner, Sr. Regulatory Assistant

Request for Exception to Buried Pipeline Requirement
CHAPITA WELLS UNIT 720-12
SESW, Sec. 12, T9S, R22E
U-0281

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately 50' X Length acres.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

EOG RESOURCES, INC.
CWU #720-12
SECTION 12, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN EASTERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 150' TO THE CWU #976-12 AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.7 MILES.

EOG RESOURCES, INC.

CWU #720-12

LOCATED IN UTAH COUNTY, UTAH
SECTION 12, T9S, R22E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



ELS

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

09 08 06
MONTH DAY YEAR

PHOTO

TAKEN BY: GS.

DRAWN BY: S.L.

REVISED: 00-00-00

LOCATION LAYOUT FOR

902' FSL 1928' FWL

Proposed Access Road

Topsoil Stockpile

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head. ||

**Pit
Topsoil**

**Existing
Road**

**Existing
Well Pad**

**Existing
Fence**

PIPE RACKS

Anchor,

DOG HOUSE

--	--

ER

11

ing L

1

—

UPPER

WER

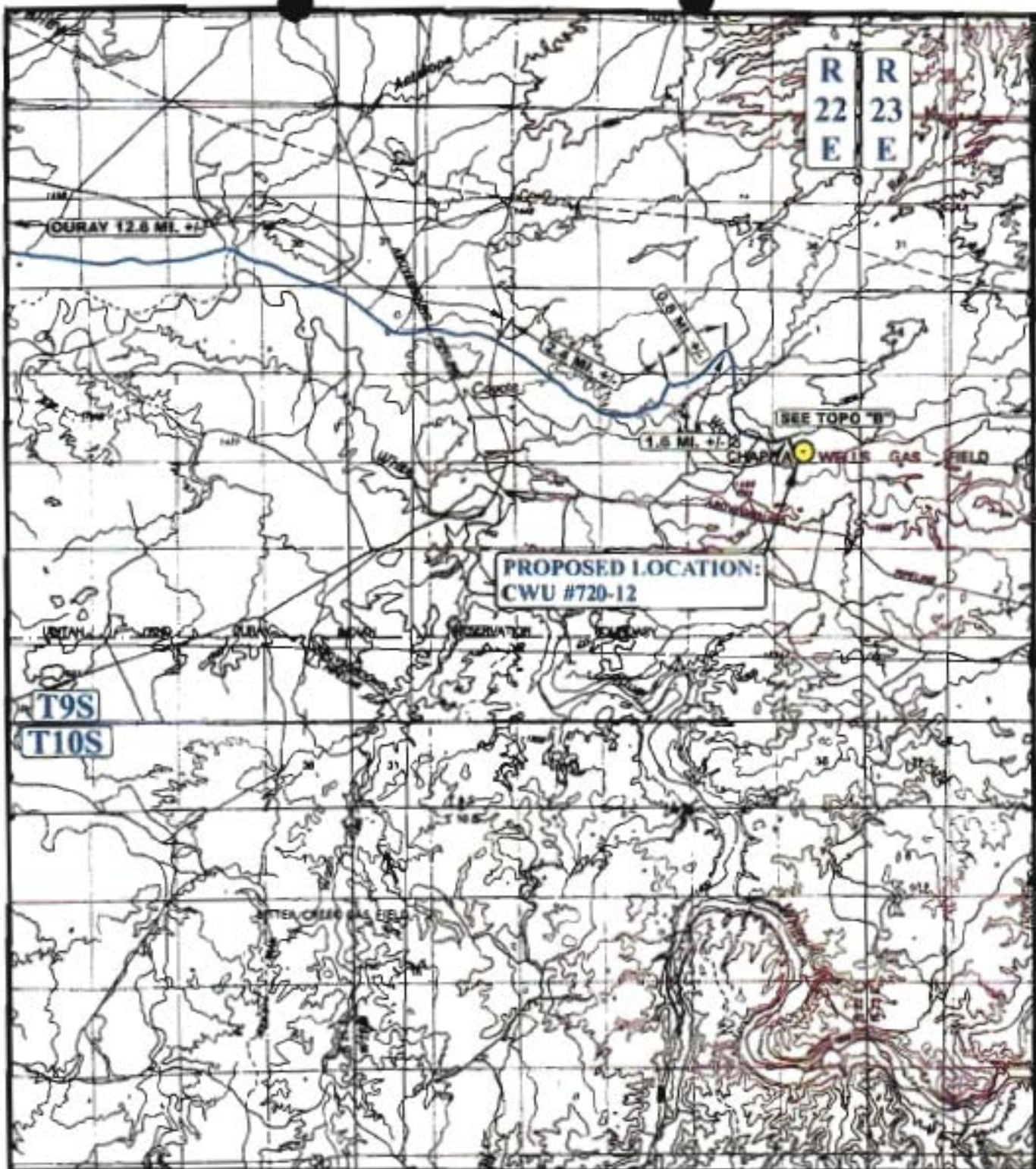
OS

51

— 4 —

Keywords:

85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

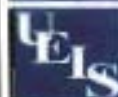
● PROPOSED LOCATION

EOG RESOURCES, INC.

CWU #720-12

SECTION 12, T9S, R22E, S1.B.&M.

902' FSL 1928' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 • FAX (435) 789-1813

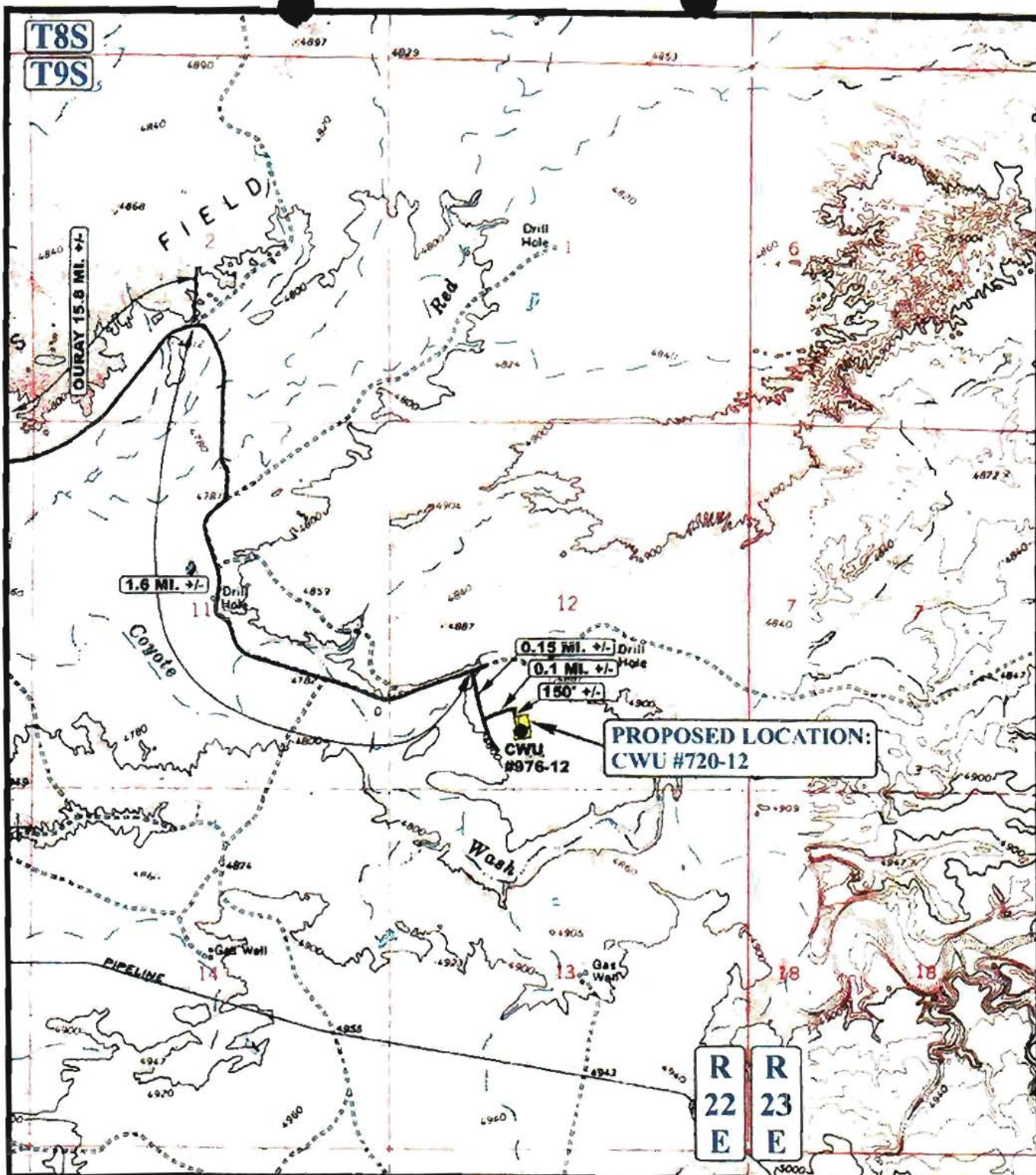


TOPOGRAPHIC
 MAP

09 08 06
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: S.J. REVISED: 00-00-00





LEGEND:

— EXISTING ROAD
 - - - PROPOSED ACCESS ROAD

EOG RESOURCES, INC.

CWU #720-12
 SECTION 12, T9S, R22E, S.L.B.&M.
 902' FSL 1928' FWL

UEIS

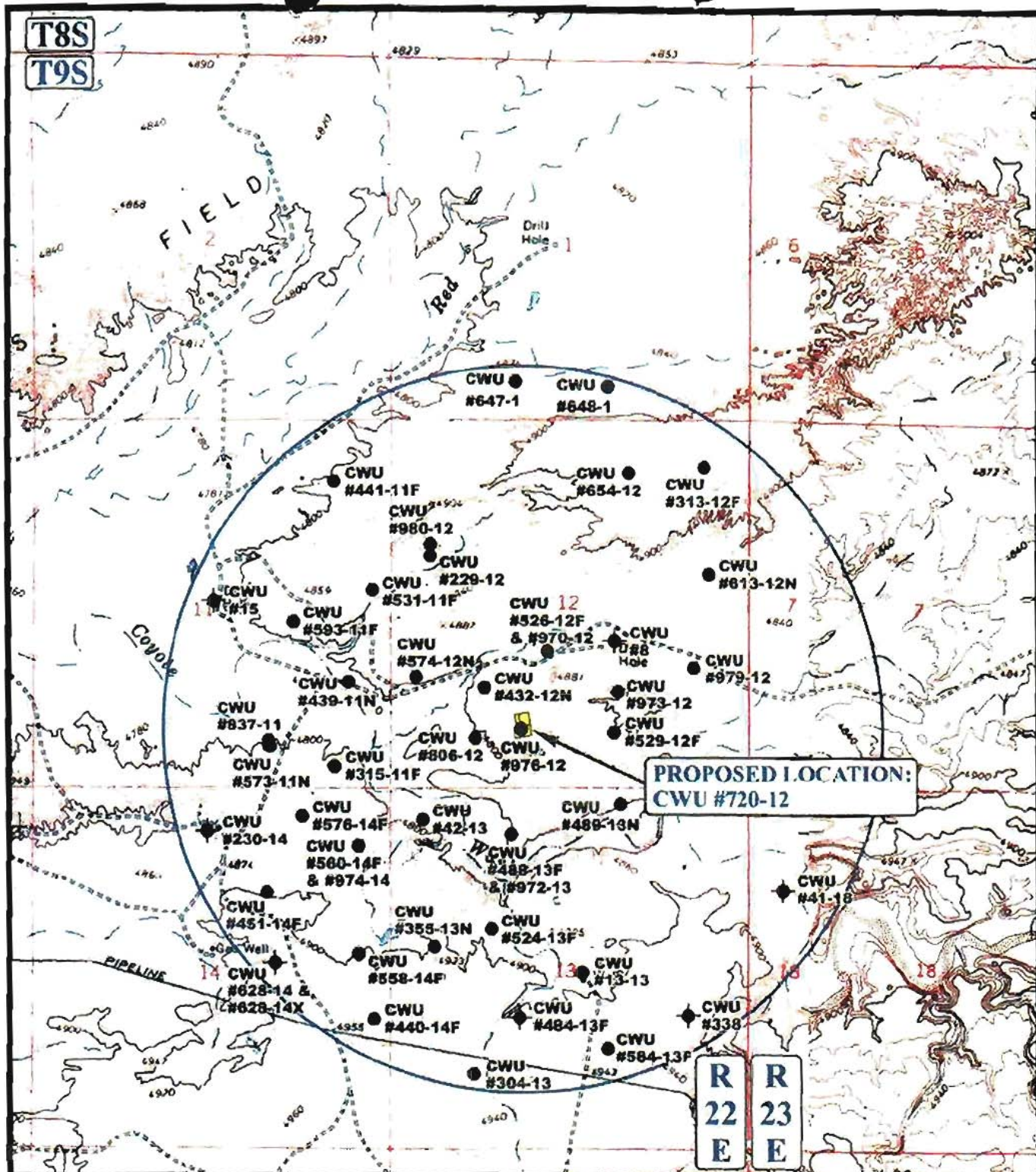
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 • FAX (435) 789-1813

**TOPOGRAPHIC
 MAP**

09 08 06
 MONTH DAY YEAR

**B
 TOPO**

SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00



LEGEND:

- | | |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS | ○ WATER WELLS |
| ● PRODUCING WELLS | ◆ ABANDONED WELLS |
| ◆ SHUT IN WELLS | ● TEMPORARILY ABANDONED |

EOG RESOURCES, INC.

CWU #720-12
SECTION 12, T9S, R22E, S.L.B.&M.
902' FSL 1928' FWL



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 - FAX (435) 789-1813



TOPOGRAPHIC **09 08 06**
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/05/2006

API NO. ASSIGNED: 43-047-38696

WELL NAME: CWU 720-12

OPERATOR: EOG RESOURCES INC (N9550)

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

SESW 12 090S 220E

SURFACE: 0902 FSL 1928 FWL

BOTTOM: 0902 FSL 1928 FWL

COUNTY: UINTAH

LATITUDE: 40.04582 LONGITUDE: -109.3902

UTM SURF EASTINGS: 637326 NORTHINGS: 4433874

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review

Initials

Date

Engineering

Geology

Surface

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0281

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM 2308)

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit

(No. 49-1501)

☒ RDCC Review (Y/N)

(Date: _____)

☒ Fee Surf Agreement (Y/N)

☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit: CHAPITA WELLS

R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 179-8

Eff Date: 8-10-99

Siting: Suspends Siting

R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

Hand Approved
2- Oil Shale

T8S R22E

T9S R22E

T8S R23E

T9S R23E

CWU 649-2

CWU 1238-1

CWU 701-2

CWU 685-1

CWU 1246-1

CWU 669-1

CWU 664-1

CWU 1222-1

CWU 1244-1

CWU 688-6

CWU 667-6

CWU 758-1

CWU 879-1

CWU 1243-02

CWU 812-2F

CWU 514-2F

CWU 514-2F

CWU 671-1

CWU 85

CWU 1053-1

CWU 681-1N

CWU 665-1

CWU 673-6

CWU 674-6

CWU 124

CWU 1220-02

CWU 672-4

CWU 1223-01

CWU 582-1N

CWU 651-1

CWU 655-6

CWU 3005-06R

CWU 675-6

CWU 543-2F

CWU 873-2

CWU 1225-2

CWU 648-1

CWU 1056-1

CWU 684-1

CWU 687-1

CWU 648-1

CWU 644-1

CWU 1052-1

CWU 630-2

CWU 480-2N

CWU 320-11

CWU 320-11X (88G-183H)

CWU 440-1F

CWU 820-11

CWU 451-12

CWU 3004-12GR

CWU 721-12

CWU 528-12

CWU 1228-1

CWU 652-7

CWU 711-7

CWU 632-11

CWU 1229-12

CWU 980-12

CWU 916-12

CWU 613-12N

CWU 530-1F

BHL 514-4F

CWU 15

CWU 574-1F

CWU 975-12

CWU 574-12N

BHL 574-12N

CWU 432-12N

CWU 126-12F

CWU 570-12

CWU 8

CWU 979-12

CWU 813-11X (88G-183H)

CWU 837-11

CWU 573-11N

CWU 573-11N

CWU 573-11N

CWU 573-11N

CWU 573-11N

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CWU 716-07

NATURAL BUTTES FIELD CHAPITA WELLS UNIT

CAUSE: 179-8 / 8-10-1999

OPERATOR: EOG RESOURCES INC (N9550)

SEC: 1,12 T.9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UTAH

CAUSE: 179-8 / 8-10-1999

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- TP GAS
- TP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 12-OCTOBER-2006

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

October 12, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Chapita Wells Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Wasatch)

43-047-38695 CWU 718-1 Sec 01 T09S R22E 1463 FNL 0302 FWL
43-047-38696 CWU 720-12 Sec 12 T09S R22E 0902 FSL 1928 FWL
43-047-38697 CWU 721-12 Sec 12 T09S R22E 1451 FNL 1760 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:10-12-06



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

October 12, 2006

EOG Resources, Inc.
1060 East Highway 40
Vernal, UT 84078

Re: Chapita Wells Unit 720-12 Well, 902' FSL, 1928' FWL, SE SW, Sec. 12,
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38696.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 720-12
API Number: 43-047-38696
Lease: U-0281

Location: SE SW Sec. 12 T. 9 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

RECEIVED

Form 3160-3
January 2003 2006

BLM VERNAL, UTAH

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

5. Lease Serial No.
U-0281

6. If Indian, Allottee or Tribe Name

1a. Type of work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator
EOG RESOURCES, INC

3a. Address **1060 EAST HIGHWAY 40
VERNAL, UT 84078**

3b. Phone No. (include area code)
435-781-9111

7. If Unit or CA Agreement, Name and No.
CHAPITA WELLS UNIT

8. Lease Name and Well No.
CHAPITA WELLS UNIT 720-12

9. API Well No.

43-047-386916

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **902 FSL 1928 FWL SE/SW 40.045758 LAT 109.390808 LON**
At proposed prod. zone **SAME**

11. Sec., T. R. M. or Blk. and Survey or Area
SECTION 12, T9S, R22E S.L.B.&M

14. Distance in miles and direction from nearest town or post office*
48.7 MILES SOUTH OF VERNAL UTAH

12. County or Parish
UINTAH

13. State
UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
902 LEASE LINE

16. No. of acres in lease
2558

17. Spacing Unit dedicated to this well
VACATED

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
38

19. Proposed Depth
7420

20. BLM/BIA Bond No. on file
NM 2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4819 GL

22. Approximate date work will start*

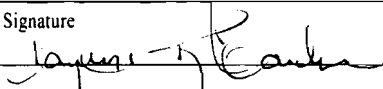
23. Estimated duration
45 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

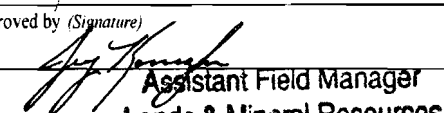
1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature

Title **SR. REGULATORY ASSISTANT**

Name (Printed Typed)
KAYLENE R. GARDNER

Date
10/03/2006

Approved by (Signature)

Title **Assistant Field Manager
Lands & Mineral Resources**

Name (Printed Typed)
JERRY KEWERKA
Office **VERNAL FIELD OFFICE**

Date
1-29-2007

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL

RECEIVED

FEB 02 2007

BUREAU OF OIL, GAS & MINING

06RPO566A

NOS 9/15/06



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources
Well No: CWU 720-12
API No: 43-047-38696

Location: SESW, Sec 12, T9S, R22E
Lease No: UTU-0281
Agreement: Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	435-781-4490	435-828-4470
Petroleum Engineer:	Michael Lee	435-781-4432	435-828-7875
Petroleum Engineer:	James Ashley	435-781-4470	435-828-7874
Petroleum Engineer:	Ryan Angus	435-781-4430	
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	Melissa Hawk	435-781-4476	435-828-7381
NRS/Enviro Scientist:	Chuck MacDonald	435-781-4441	
NRS/Enviro Scientist:	Jannice Cutler	435-781-3400	
NRS/Enviro Scientist:	Michael Cutler	435-781-3401	
NRS/Enviro Scientist:	Anna Figueroa	435-781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	435-781-3402	
NRS/Enviro Scientist:	Darren Williams	435-781-4447	
NRS/Enviro Scientist:	Nathan Packer	435-781-3405	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify NRS/Enviro Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify NRS/Enviro Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings
BOP & Related Equipment Tests (Notify Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to initiating pressure tests
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

Conditions for Approval are in the APD

- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
- During interim management of the surface, use the following seed mix:
 - 9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
- This site is located in crucial pronghorn antelope kidding habitat. No construction or drilling shall occur from 4/1-6/20.

General Surface COA

Operator shall notify any active Gilsonite mining operation within 2 miles of the location 48 hours prior to any blasting during construction for this well.

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- Cement bond log shall be run to TOC and a field copy must be submitted to this office.
- Surface site specific COAs
- Operator must notify any active Gilsonite operation within 2 miles of the location 48 hrs prior to any blasting associated with this well.
- Variances approved
- Blooie line will be approximately 75'.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and NOT by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
- All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- The lessee/operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) shall the BLM need to obtain additional information.
- All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, shall the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).

- Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and / or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
 - All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
 - Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
 - Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-0281
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: -
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
PHONE NUMBER: (435) 781-9111		8. WELL NAME and NUMBER: Chapita Wells Unit 720-12
4. LOCATION OF WELL FOOTAGES AT SURFACE: 902' FSL & 1928' FWL 40.045758 LAT 109.390808 LON		9. API NUMBER: 43-047-38696
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 9S 22E S		10. FIELD AND POOL, OR WLOCAT: Natural Buttes/Mesaverde
COUNTY: Uintah		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>APD Extension</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-27-07
By: [Signature]

9-28-07
Rm

NAME (PLEASE PRINT) Kaylene R. Gardner	TITLE Lead Regulatory Assistant
SIGNATURE <u>[Signature]</u>	DATE 9/26/2007

(This space for State use only)

RECEIVED
SEP 27 2007

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-38696
Well Name: Chapita Wells Unit 720-12
Location: 902 FSL - 1928 FWL (SESW), SECTION 12, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 10/12/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

9/26/2007

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

**RECEIVED
SEP 27 2007**

DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 720-12

Api No: 43-047-38696 Lease Type: FEDERAL

Section 12 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

SPUDDED:

Date 11/02/07

Time 1:00 PM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 11/5/07 Signed CHD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
UTU0281

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
CHAPITA WELLS UNIT 720-122. Name of Operator
EOG RESOURCES, INC.Contact: CARRIE E MACDONALD
E-Mail: carrie_macdonald@eogresources.com9. API Well No.
43-047-386963a. Address
600 17TH STREET, SUITE 1000N
DENVER, CO 802023b. Phone No. (include area code)
Ph: 303-262-2812
Fx: 303-262-281310. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 12 T9S R22E SESW 902FSL 1928FWL
40.04576 N Lat, 109.39081 W Lon

11. County or Parish, and State

UINTAH COUNTY COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Well Spud
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well spud on 11/3/2007.

RECEIVED
NOV 07 2007
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #57034 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) CARRIE E MACDONALD

Title OPERATIONS CLERK

Signature (Electronic Submission)

Date 11/05/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES, INC. Operator Account Number: N 9550
Address: 600 17th Street, Suite 1000N
city Denver
state CO zip 80202 Phone Number: (303) 262-2812

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37877	CHAPITA WELLS UNIT 1043-23		SWSW	23	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>13650</i>	11/1/2007		<i>11/20/07</i>		
Comments: <i>PRRV=MOVED</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38696	CHAPITA WELLS UNIT 720-12		SESW	12	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>13650</i>	11/3/2007		<i>11/20/07</i>		
Comments: <i>PRRV=MOVED</i>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38697	CHAPITA WELLS UNIT 721-12		SWNE	12	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>A</i>	99999	<i>16463</i>	11/3/2007		<i>11/20/07</i>		
Comments: <i>PRRV=MOVED</i>							

DIV. OF OIL, GAS & MINING

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Carrie MacDonald

Name (Please Print)

Signature

Operations Clerk

Title

11/5/2007

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
UTU0281

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI

8. Well Name and No.
CHAPITA WELLS UNIT 720-12

9. API Well No.
43-047-38696

10. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH

11. County or Parish, and State
UINTAH COUNTY, UT

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG RESOURCES INC
Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

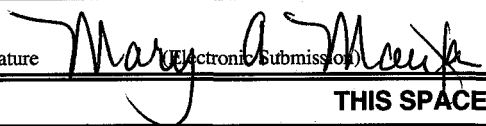
Sec 12 T9S R22E SESW 902FSL 1928FWL
40.04576 N Lat, 109.39081 W Lon

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 2/1/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #58428 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature 	Date 02/04/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED

FEB 05 2008

WELL CHRONOLOGY REPORT

Report Generated On: 02-04-2008

Well Name	CWU 720-12	Well Type	DEVG	Division	DENVER
Field	CHAPITA WELLS UNIT	API #	43-047-38696	Well Class	1SA
County, State	UINTAH, UT	Spud Date	12-03-2007	Class Date	02-01-2008
Tax Credit	N	TVD / MD	7,420/ 7,420	Property #	059612
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	0/ 0
KB / GL Elev	4,831/ 4,819				
Location	Section 12, T9S, R22E, SESW, 902 FSL & 1928 FWL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	93.885	NRI %	77.028

AFE No	304170	AFE Total	1,263,400	DHC / CWC	657,700/ 605,700
Rig Contr	ENSIGN	Rig Name	ENSIGN #81	Start Date	11-07-2006
11-07-2006	Reported By	SHARON CAUDILL			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTB : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA

902' FSL & 1928' FWL (SE/SW)
SECTION 12, T9S, R22E
UINTAH COUNTY, UTAH

LAT 40.045758, LONG 109.390808 (NAD 83)
LAT 40.045794, LONG 109.390125 (NAD 27)

RIG: OBJECTIVE: 7420' TD NORTH HORN
DW/GAS
CHAPITA WELLS PROSPECT
DD&A: CHAPITA WELLS
NATURAL BUTTES FIELD

LEASE: U-0281
ELEVATION: 4819' NAT GL, 4819' PREP GL, 4831' KB (12')

EOG BPO WI 93.885186%, NRI 77.028021%
EOG APO WI 54.8604%, NRI 46.657031%

10-29-2007	Reported By	TERRY CSERE
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Daily Costs: Drilling	\$38,000	Completion	\$0	Daily Total	\$38,000
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0

Formation : PBTB : 0.0 **Perf :** PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED.

10-30-2007 **Reported By** TERRY CSERE

Daily Costs: Drilling	\$38,000	Completion	\$0	Daily Total	\$38,000
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0

Formation : PBTB : 0.0 **Perf :** PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 5% COMPLETE.

10-31-2007 **Reported By** TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0

Formation : PBTB : 0.0 **Perf :** PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 10% COMPLETE.

11-01-2007 **Reported By** TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0

Formation : PBTB : 0.0 **Perf :** PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 25% COMPLETE.

11-02-2007 **Reported By** TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0

Formation : PBTB : 0.0 **Perf :** PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. LINER READY.

11-05-2007 **Reported By** TERRY CSERE/JERRY BARNES

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	40	TVD	40	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION/WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 11/3/2007 @ 1:00 PM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 11/3/2007 @ 12:15 PM.

11-06-2007 Reported By TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	40	TVD	40	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE.

11-29-2007 Reported By JERRY BARNES

Daily Costs: Drilling	\$248,875	Completion	\$0	Daily Total	\$248,875
Cum Costs: Drilling	\$286,875	Completion	\$0	Well Total	\$286,875
MD	2,256	TVD	2,256	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU PRO PETRO AIR RIG #9 ON 11/8/2007. DRILLED 12-1/4" HOLE TO 2310' GL. ENCOUNTERED WATER @ 1340' & 1750'. ENCOUNTERED EXTREME FLOWS WHILE DRILLING @ 1980' CAUSING CONDUCTOR PIPE TO FAIL RESULTING IN A LARGE HOLE BEING WASHED UNDER RIG. FILLED HOLE W/ROAD BASE, READY MIX CEMENT, & REPAIRED RIG. RAN 52 JTS (2243.35') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH TOP-CO GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2256' KB. RDMO AIR RIG.

MIRU PRO PETRO CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 165 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 450 SX (94 BBLS) OF PREMIUM CEMENT W/2% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX.

DISPLACED CEMENT W/170 BBLS FRESH WATER. BUMPED PLUG W/560# @ 6:04 PM, 11/17/2007. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: MIXED & PUMPED 100 SX (20 BBLS) OF PREMIUM CEMENT W/4% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 2: MIXED & PUMPED 100SX (20 BBLS) OF PREMIUM CEMENT /4% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 3: MIXED & PUMPED 100 SX (20 BBLS) OF PREMIUM CEMENT /4% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 1 HR 20 MINUTES.

TOP JOB # 4: MIXED & PUMPED 150 SX (30 BBLs) OF PREMIUM CEMENT W/4% CACL2 & ¼ #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO PRO PETRO CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU GLENN'S WIRELINE SERVICE. RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2118' GL. PICKED UP TO 2098' AND TOOK SURVEY. 2 ½ DEGREE.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 11/9/2007 @ 2:15 PM.

12-02-2007	Reported By	CARLOS ARRIETA									
Daily Costs: Drilling	\$19,778	Completion	\$0	Daily Total	\$19,778						
Cum Costs: Drilling	\$306,653	Completion	\$0	Well Total	\$306,653						
MD	2,256	TVD	2,256	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RURT

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RIG DOWN & MOVED 100%
18:00	06:00	12.0	RIGGING UP 70%
			BOILER 9 HRS.
			One ACCIDENT REPORTED, TRUCK DRIVER FOR MATT BETTS TRUCKING
			FULL CREW
			SAFETY MEETING: RIG DOWN & RIG MOVE
			FUEL ON HAND: 3200 GALS. USED 180 GALS.

12-03-2007	Reported By	CARLOS ARRIETA									
Daily Costs: Drilling	\$44,347	Completion	\$0	Daily Total	\$44,347						
Cum Costs: Drilling	\$351,000	Completion	\$0	Well Total	\$351,000						
MD	2,256	TVD	2,256	Progress	0	Days	0	MW	8.4	Visc	26.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING SHOE TRACK

Start	End	Hrs	Activity Description
06:00	15:00	9.0	RIGGING UP, RAISE DERRICK @ 08:00 AM, RIG UP FLOOR. CALL BLM VERNAL FOR BOP TEST Mr JAMIE SPARGER & BILL OWINS *** RIG ON DAYWORK AT 11:30 12/2/07 ***
15:00	21:30	6.5	TEST BOP WITH B&C QUICK TEST PIPE RAMS, BLIND RAMS, ALL KILL LINE VALVES, CHOCK LINE & MANIFOLD, HCR, KELLY UPPER & LOWER KELLY VALVES, SAFETY VALVE, DART VALVE, ALL TO 250 PSI LOW & 5000 PSI HIGH, ANNULAR 250 PSI LOW 2500 HIGH, SURFACE CSG.1500 PSI, OK TEST BOP ACCUMULATOR 1.10 SEC. OK. Mr BILL OWINS FOR BLM ON LOCATION FOR BOP TEST WORK ON 1 ACC. AIR PUMP, NEED REPLACE
21:30	23:30	2.0	SAFETY MEETING W/ CALIBER & RIG CREWS, RIG UP LAY DOWN MACHINE. INSTALL WEAR BUSHING.
23:30	05:30	6.0	PICK UP BIT # 1 MI 616, BHA & DP, TAG @ 2154', RIG DOWN WEATHERFORD, KELLY UP, INSTALL ROT RUBB., CIRC. FLOW CHECK
05:30	06:00	0.5	DRILL CEMENT FROM 2154' TO 2210' BOILER 24 HRS.

ONE ACCIDENT REPORTED, MICHAEL FOSTER, PINCHED FINGER, FIRST AID
 FULL CREW
 SAFETY MEETING: FIRE EXTINGUISHER PLACEMENT & PICK UP BHA & D. PIPE
 FUEL ON HAND: 5828 GALS. USED — GALS.
 MUD LOGGER, MATT GJURGEVICH ON LOCATION DAY # 1

12-04-2007		Reported By		CARLOS ARRIETA							
Daily Costs: Drilling		\$44,077		Completion		\$0		Daily Total		\$44,077	
Cum Costs: Drilling		\$395,077		Completion		\$0		Well Total		\$395,077	
MD	2,392	TVD	2,392	Progress	134	Days	1	MW	8.5	Visc	27.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: MILLING W/JUNK MILL											
Start	End	Hrs	Activity Description								
06:00	09:00	3.0	DRILL CEMENT/FLOAT EQUIP. F/ 2210' TO 2278' SHOE @ 2257' - 20' OF FORMATION. WOB 10K, 40 RPM, 459 GPM, M. MOTOR 73 RPM								
09:00	09:30	0.5	PUMP HI-VIS PILL, RUN FIT, 340 PSI= 11.4 MW @ 2256'								
09:30	10:00	0.5	RUN WIRE LINE SURVEY @ 2250' 1.85 DEG								
10:00	13:00	3.0	DRILL ROTATE 2276' - 2390' WOB 15/25K, 50 RPM, 459 GPM, M. MOTOR 73 RPM, BIT STOP DRILLING @ 2390' (2,5 FT/HR) AFTER CONNECTION								
13:00	16:00	3.0	PUMP PILL, SET COM, BLOW DOWN KELLY, POOH, FIND PIECE OF METAL BETWEEN BIT BLADES, LOST IN HOLE TWO PIECES OF BIT BLADE AND BIT CUTTINGS								
16:00	18:30	2.5	LAY DOWN REAMERS, M. MOTOR, CHANGE JARS								
18:30	22:00	3.5	PICK UP & STRAP 7" MAGNET, BIT SUB, TRIP IN HOLE								
22:00	23:00	1.0	CIRCULATE & FISHING W/ 7" MAGNET 60 SPM, 180 PSI								
23:00	01:30	2.5	TRIP OUT HOLE W/ MAGNET, NO METAL ON MAGNET								
01:30	04:30	3.0	LAY DOWN MAGNET PICK UP 7" MILL, TRIP IN HOLE								
04:30	06:00	1.5	MILLING ON JUNK F/ 2390' TO 2392' WT 8K 45 RPM, MW 8.6 PPG, VIS. 28, PUMP HI-VIS PILL								

BOILER 24 HRS.
 NO ACCIDENT REPORTED
 FULL CREW
 SAFETY MEETING: TRIPPING PIPE
 FUEL ON HAND: 4921 GALS. USED 907 GALS.
 MUD LOGGER, MATT GJURGEVICH 2 DAYS

06:00 18.0 SPUD 7 7/8" HOLE AT 10:00 HRS, 12/3/07.

12-05-2007		Reported By		CARLOS ARRIETA							
Daily Costs: Drilling		\$92,310		Completion		\$0		Daily Total		\$92,310	
Cum Costs: Drilling		\$487,387		Completion		\$0		Well Total		\$487,387	
MD	2,910	TVD	2,910	Progress	521	Days	2	MW	8.6	Visc	29.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILLING											
Start	End	Hrs	Activity Description								
06:00	07:30	1.5	MILLING TO 2393' WT 8K 45 RPM, 388 GPM, MW 8.6 PPG, VIS. 28, PUMP HI-VIS SWEEP								

07:30 09:00 1.5 PUMP PILL, POOH W/ MILL, BOTTOM OF MILL 100% OK, SOME OF BIT # 1 CUTTING WORK IN THE SIDE OF MILL

09:00 09:30 0.5 SERVICE RIG

09:30 11:30 2.0 PICK UP BIT # 2 SMITH SDS & JUNK BASKET, TRIP IN HOLE

11:30 12:30 1.0 REAMED 4' UNDER GAUGE HOLE, NO WOB, 50 RPM, 459 GPM

12:30 19:30 7.0 DRILL 2393' 2456' (63'') WOB 24K, 80 RPM, 462 GPM 1050 PSI

19:30 22:00 2.5 PUMP PILL TRIP OUT HOLE, L/DN B. SUB, JUNK BASKET 40% METAL FROM PDC BIT RECOVERY

22:00 01:00 3.0 PICK BIT # 3 PDC 506, M. MOTOR, REAMERS, TRIP IN HOLE, WASH 40' TO BTM.

01:00 06:00 5.0 DRILL ROTATE 2456' - 2910' (454'') WOB 18/20K, 50 RPM, M. MOTOR 74 RPM, 462 GPM, MUD WT 8.9 PPG, 33 VIS

BOILER 24 HRS.

NO ACCIDENTS REPORTED

FULL CREW

CHECK & SET CROWN-O-MATIC OK

SAFETY MEETING: TRIPPING & DRIVING SAFETY

FUEL ON HAND: 3875 GALS. USED 1046 GALS.

FORMATION TOPS: MAHOGANY OIL SHALE BED @ 2483'

LITHOLOGY: 20% SANDSTONE - 60% SHALE - 20% LIMESTONE

BG GAS 734 U/ 1299 U - TRIP GAS 0 U @ 6174 - CONN. GAS 921 U/ 2941 U - HF GAS 1675 U @ 2694'

NO FLARE

MUD LOGGING: MATT GJURGERVICH 3 DAYS

12-06-2007 Reported By CARLOS ARRIETA

Daily Costs: Drilling	\$29,002	Completion	\$0	Daily Total	\$29,002
Cum Costs: Drilling	\$516,390	Completion	\$0	Well Total	\$516,390

MD	4,958	TVD	4,958	Progress	2,048	Days	3	MW	8.7	Visc	31.0
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Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: DRILLING AHEAD

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL ROTATE 2910' - 3567' (657'') WOB 18/20K, 50 RPM, M. MOTOR 74 RPM, 462 GPM, MUD WT 8.9 PPG, 33 VIS
12:30	13:00	0.5	RUN WIRE LINE SURVEY @ 3492' 2.11 DEG.
13:00	14:00	1.0	DRILL ROTATE 3567' - 3663' (96'') WOB 18/20K, 50 RPM, M. MOTOR 74 RPM, 462 GPM, MUD WT 9.00 PPG, 33 VIS
14:00	14:30	0.5	SERVICE RIG
14:30	03:30	13.0	DRILL ROTATE 3663' - 4810' (1147'') WOB 18/20K, 50 RPM, M. MOTOR 74 RPM, 462 GPM, MUD WT 9.00 PPG, 33 VIS
03:30	04:00	0.5	RUN WIRE LINE SURVEY @ 4727' 0.88 DEG
04:00	06:00	2.0	4810' - 4958' (148'') WOB 18/20K, 50 RPM, M. MOTOR 74 RPM, 462 GPM, 1800 PSI, MUD WT 9.4 PPG, 33 VIS
			BOILER 24 HRS.
			NO ACCIDENTS REPORTED
			FULL CREW
			CHECK & SET CROWN-O-MATIC OK
			SAFETY MEETING: SET SLIP & FIRST AID BASICS
			FUEL ON HAND: 2426 GALS. USED 1446 GALS.
			FORMATION TOPS: WASHACH @ 4830'
			LITHOLOGY: 30% SANDSTONE - 60% SHALE - 10% RED SHALE

BG GAS 100 U/ 246 U – TRIP GAS 0 U – CONN. GAS 317 U/ 1173 U – H F GAS 1214 U @ 4831'
 NO FLARE
 MUD LOGGING: MATT GJURGERVICH 4 DAYS

12-07-2007		Reported By		CARLOS ARRIETA							
Daily Costs: Drilling		\$45,212		Completion		\$0		Daily Total		\$45,212	
Cum Costs: Drilling		\$561,603		Completion		\$0		Well Total		\$561,603	
MD	5,900	TVD	5,900	Progress	942	Days	4	MW	9.4	Visc	33.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILLING											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	DRILL ROTATE 4958' – 5900' (942') WOB 18/22K, 50 RPM, M. MOTOR 73 RPM, 458 GPM, 1800 PSI, MUD WT 9.6 PPG, 37 VIS, LOST CIRCULATION @ 5450'. REGAINED FULL RETURNS. MUD LOSS LAST 24 HRS. 165 BBLs. BOILER 24 HRS. NO ACCIDENTS REPORTED FULL CREW CHECK & SET CROWN-O-MATIC OK SAFETY MEETING: AUTO DRILLER & FORKLIFT SAFETY FUEL ON HAND: 5100 GALS. USED 1826 GALS. FORMATION TOPS: CHAPITA WELLS @ 5460' LITHOLOGY: 30% SANDSTONE – 40% SHALE – 30% RED SHALE BG GAS 145 U/ 286 U – TRIP GAS 0 U – CONN. GAS 358 U/ 453 U – H F GAS 1985 U @ 4930' NO FLARE MUD LOGGING: MATT GJURGERVICH 5 DAYS								

12-08-2007		Reported By		CARLOS ARRIETA							
Daily Costs: Drilling		\$43,468		Completion		\$0		Daily Total		\$43,468	
Cum Costs: Drilling		\$605,071		Completion		\$0		Well Total		\$605,071	
MD	6,631	TVD	6,631	Progress	731	Days	5	MW	9.7	Visc	32.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: TOH FOR BIT											
Start	End	Hrs	Activity Description								
06:00	17:00	11.0	5900' – 6400 (500') WOB 18/22K, 50 RPM, M. MOTOR 73 RPM, 458 GPM, 1800 PSI, MUD WT 9.7 PPG, 34 VIS,								
17:00	17:30	0.5	SERVICE RIG CK. COM								
17:30	04:00	10.5	DRILL ROTATE 6400' – 6631' (221') WOB 18/22K, 50 RPM, M. MOTOR 73 RPM, 458 GPM, 1800 PSI, MUD WT 10 PPG, 35 VIS,								
04:00	06:00	2.0	PUMP PILL TRIP OUT OF HOLE FOR BIT # 4, SET COM								
			MUD LOSS LAST 24 HRS. 87 BBLs.								
			BOILER 24 HRS.								
			NO ACCIDENTS REPORTED								
			FULL CREW								
			CHECK & SET CROWN-O-MATIC OK								
			SAFETY MEETING: C.O.M. OPERATIONS & TRIPPING								
			FUEL ON HAND: 3539 GALS. USED 1561 GALS.								
			FORMATION TOPS: BUCK CANYON @ 6117'								

LITHOLOGY: 40% SANDSTONE – 50% SHALE – 10% RED SHALE

BG GAS 142 U/ 202 U – TRIP GAS 0 U – CONN. GAS 205 U/ 457 U – H F GAS 846 U @ 6356'

NO FLARE

MUD LOGGING: MATT GJURGERVICH 6 DAYS

12-09-2007	Reported By	CARLOS ARRIETA									
Daily Costs: Drilling	\$31,878	Completion	\$0	Daily Total	\$31,878						
Cum Costs: Drilling	\$636,950	Completion	\$0	Well Total	\$636,950						
MD	7,157	TVD	7,157	Progress	526	Days	6	MW	9.9	Visc	31.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:30	1.5	TRIP OUT HOLE L/DN 2 REAMERS, MUD MOTOR LOCKOUT
07:30	08:30	1.0	CHANGE BIT & MUD MOTOR
08:30	12:00	3.5	TRIP IN HOLE WITH BIT # 4, FILL PIPE, WASH 15' TO BTM.
12:00	12:30	0.5	DRILL ROTATE 6631' – 6647' (16') WOB 18/22K, 50 RPM, M. MOTOR 73 RPM, 458 GPM, 1800 PSI, MUD WT 10.3 PPG, 35 VIS,
12:30	13:00	0.5	SERVICE RIG
13:00	06:00	17.0	DRILL ROTATE 6647' – 7157' (510') WOB 18/22K, 50 RPM, M. MOTOR 73 RPM, 458 GPM, 1800 PSI, MUD WT 10.0 PPG, 35 VIS, LOSS CIRCULATION MUD LOSS LAST 24 HRS. 175 BBLs. BOILER 24 HRS. NO ACCIDENTS REPORTED FULL CREW CHECK & SET CROWN-O-MATIC OK SAFETY MEETING: TRIPPING OUT DC & HAZARDOUS CHEMICALS MATERIALS FUEL ON HAND: 2128 GALS. USED 1411 GALS. FORMATION TOPS: NORTH HORN @ 6763' LITHOLOGY: 40% SANDSTONE – 40% SHALE – 20% RED SHALE BG GAS 142119 U/ 204 U – TRIP GAS 1167 U @ 6621' – CONN. GAS 256 U/ 451 U – H F GAS 464 U @ 6639' NO FLARE MUD LOGGING: MATT GJURGERVICH 7 DAYS

12-10-2007	Reported By	CARLOS ARRIETA									
Daily Costs: Drilling	\$57,136	Completion	\$0	Daily Total	\$57,136						
Cum Costs: Drilling	\$694,086	Completion	\$0	Well Total	\$694,086						
MD	7,420	TVD	7,420	Progress	263	Days	7	MW	9.9	Visc	34.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RUNNING CSG

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILL ROTATE 7157' – 7420' TD (263') WOB 18/22K, 50 RPM, M. MOTOR 73 RPM, 458 GPM, 2000 PSI, MUD WT 10.1 PPG, 35 VIS. REACHED TD AT 13:30 HRS, 12/9/07.
13:30	14:30	1.0	CIRCULATE COND. HOLE

14:30 16:00 1.5 SHORT TRIP TO 6450'

16:00 18:00 2.0 CIRCULATE COND. HOLE, RIG UP WEATHERFORD L/DN MACHINE, SAFETY MEETING W/ WEATHERFORD CREW, PUMP 100 BBLS PILL TO BTM OF WELL, BLOW KELLY

18:00 01:00 7.0 L/DN DRILL PIPE & BHA. BREAK KELLY

01:00 02:00 1.0 PULL WEAR BUSHING, SAFETY MEETING W/ WEATHERFORD & RIG CREWS JSA ON RUN CASING. RIG UP TO RUN CASING.

02:00 06:00 4.0 RUN 4.5" CASING, RAN 120 JTS. 11.6#, N80, LTC, AS FOLLOWS, FLOAT SHOE, 1JT.CSG. ,FLOAT COLLAR, 14 JTS. CSG.,1 MARJER JT., 9 JTS.CSG.,1 MARKER JT., 96 JTS.CSG.
MUD LOSS LAST 24 HRS. 80 BBLS. ON TRIPPING
BOILER 24 HRS.
NO ACCIDENTS REPORTED
FULL CREW
CHECK & SET CROWN-O-MATIC OK
SAFETY MEETING: TRIPPING & RUN CSG
FUEL ON HAND: 3706 GALS. USED 1928 GALS.
FORMATION TOPS: PRICE RIVER @ 7221'
LITHOLOGY: 40% SANDSTONE - 40% SHALE - 20% RED SHALE
BG GAS 144 U/ 236 U -TRIPGAS 0 - CONN. GAS 438 U/ 464 U - H F GAS2599U @ 7298'
NO FLARE
MUD LOGGING: MATT GJURGERVICH 8 DAYS RELEASE @ 18:00 HRS.

12-11-2007 Reported By CARLOS ARRIETA

Daily Costs: Drilling \$71,751 Completion \$122,215 Daily Total \$193,966

Cum Costs: Drilling \$765,838 Completion \$122,215 Well Total \$888,053

MD 7,420 TVD 7,420 Progress 0 Days 8 MW 0.0 Visc 0.0

Formation : PBDT : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	08:00	2.0	RUN 4.5" CASING, RAN 175 JTS. 11.6#, N80, LTC, AS FOLLOWS, FLOAT SHOE AT 7419', 1 JT.CSG. , FLOAT COLLAR AT 7374', 14 JTS. CSG.,1 MARJER JT 6803', 9 JTS.CSG.,1 MARKER JT AT 6402', 151 JTS.CSG. NOTIFIED BLM, VERNAL, MR. JAMIE SPARGER TO RUN CSG & CEMENT.
08:00	10:00	2.0	TAG @ 7420' LAY DOWN TAG JT. PICK UP HANGER FILL CSG W/ RIG PUMP. RIG DOWN WEATHERFORD, R/DN L/DN MACHINE, R/UP SCHLUMBERGER CEMENTING EQUIPMENT.
10:00	13:30	3.5	CEMENTING W/ SCHLUMBERGER, TEST LINES 5000 PSI, PUMPING 20 BBLS CHEM WASH & 20 BBLS WATER SPACER, LEAD CEMENT 310 SKS. 35/65 POZ G + ADDS MIX D020 10% EXTENDER, D167 .2% FLUID LOSS, D046 .2%, ANTIFOAM, D013 .5% RATERDER, D130 .125 LOST CIRC. D065 .5% DISPERSANT. YIELD 3.91 FT3/SK, H2O 24.9 GAL/SK @ 11.00 PPG. TAIL 900 SKS 50/50 POZ G + ADDS D020 2% EXTENDER, D046 .1% ANTIFOAM, D167 .2% FLUID LOSS, D065 .2% DISPERSANT, YIELD 1.29 FT3/SK, FRESH WATER 5.96 GAL/SK @ 14.1 PPG DISP. TO FLOAT COLLER FRESH WATER. W/ 114.7 BBLS. AVG. DISP. RATE 6.3 BPM, GOOD RETURNS DROP PLUG @ 12:16 HRS. BUMPED PLUG @ 13:00 HRS. TO 2750 PSI.1000 PSI. OVER LIFT HOLD PRESS.F/1 MINS. 1.0 BBL. BACK, RIGGING DOWN SCHLUMBERGER.
13:30	15:30	2.0	CLEAN MUD TANKS & NIPPLE DOWN BOP, WAIT 1 HR REMOVED LANDING JT. SET HANGER PACKING.
15:30	06:00	14.5	RIGGING DOWN. L/DN DERRICK 16:00 HRS, SET UP FOR TRUCKS TUESDAY DEC. 11 @ 07:00 AM. 5 MILES MOVE FROM CWU 720-12 TO CWU 680-6 - TRANSFER TO CWU 680-6 7 JOINTS 4.5" CSG #11.6 N-80 LTC, 1 MARKER JT. & 3374 GLS. DIESEL FUEL. TRANSFER 650 BBLS LIQUID MUD BOILER 24 HRS.

NO ACCIDENTS REPORTED
 FULL CREW
 CHECK & SET CROWN-O-MATIC OK
 SAFETY MEETING: RUN CSG & RIG DOWN
 FUEL ON HAND: 3374 GALS. USED 332 GALS

06:00 18.0 RELEASED RIG 12/10/07 @ 15:30 HRS
 CASING POINT \$722,703

12-13-2007		Reported By		SEARLE							
Daily Costs: Drilling	\$0	Completion	\$40,166	Daily Total	\$40,166						
Cum Costs: Drilling	\$765,838	Completion	\$162,381	Well Total	\$928,219						
MD	7,420	TVD	7,420	Progress	0	Days	9	MW	0.0	Visc	0.0
Formation :		PBTD : 7374.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: PREP FOR FRACS											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 880'. EST CEMENT TOP @ 1300'. RD SCHLUMBERGER.								

12-15-2007		Reported By		TORR MCCURDY							
Daily Costs: Drilling	\$0	Completion	\$1,780	Daily Total	\$1,780						
Cum Costs: Drilling	\$765,838	Completion	\$164,161	Well Total	\$929,999						
MD	7,420	TVD	7,420	Progress	0	Days	10	MW	0.0	Visc	0.0
Formation :		PBTD : 7374.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: WO COMPLETION											
Start	End	Hrs	Activity Description								
09:00	10:00	1.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.								

12-20-2007		Reported By		HISLOP							
Daily Costs: Drilling	\$0	Completion	\$5,525	Daily Total	\$5,525						
Cum Costs: Drilling	\$765,838	Completion	\$169,686	Well Total	\$935,524						
MD	7,420	TVD	7,420	Progress	0	Days	10	MW	0.0	Visc	0.0
Formation : WASATCH		PBTD : 7374.0				Perf : 6780' - 7207'		PKR Depth : 0.0			
Activity at Report Time: FRAC											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	SICP 0 PSIG. RU CUTTERS WIRELINE. PERFORATED NORTH HORN FROM 7010'-11', 7019'-20', 7072'-73', 7095'-96', 7125'-27', 7145'-46', 7162'-63', 7166'-68', 7183'-84', 7194'-96' & 7206'-07' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4171 GAL WF116ST+ PAD, 8409 GAL WF116ST+ W/1# & 1.5# 20/40 SAND, 32087 GAL YF116ST+ W/108600# 20/40 SAND @ 2-4 PPG. MTP 5311 PSIG. MTR 40.4 BPM. ATP 3539 PSIG. ATR 38.0 BPM. ISIP 2780 PSIG. RD SCHLUMBERGER.								

RUWL SET 10K CFP @ 6970'. PERFORATED NORTH HORN FROM 6780'-82', 6789'-90', 6798'-99', 6834'-35', 6835'-36' (MISFIRE), 6851'-52', 6867'-68', 6882'-83' & 6940'-43' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4654 GAL WF116ST+ PAD, 8424 GAL WF116ST+ W/1# & 1.5# 20/40 SAND, 32350 GAL YF116ST+ WITH 107600# 20/40 SAND @ 2-4 PPG. MTP 5395 PSIG. MTR 40.8 BPM. ATP 3474 PSIG. ATR 38.4 BPM. ISIP 2000 PSIG. RD SCHLUMBERGER. SDFN.

12-21-2007		Reported By		HISLOP							
Daily Costs: Drilling	\$0	Completion	\$199,647	Daily Total	\$199,647						

Cum Costs: Drilling \$765,838 **Completion** \$369,333 **Well Total** \$1,135,171
MD 7,420 **TVD** 7,420 **Progress** 0 **Days** 11 **MW** 0.0 **Visc** 0.0
Formation : WASATCH **PBTD : 7374.0** **Perf : 5561' - 7207'** **PKR Depth : 0.0**
Activity at Report Time: PREP TO MIRUSU

Start **End** **Hrs** **Activity Description**
 06:00 06:00 24.0 SICP 1300 PSIG. RUWL. SET 10K CFP @ 6720'. PERFORATED Ba FROM 6342'-43', 6384'-85', 6424'-25', 6457'-58', 6489'-90', 6525'-27', 6564'-65', 6587'-88', 6639'-40', 6658'-59' & 6698'-99' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 4160 GAL WF116 LINEAR PAD, 28461 GAL WF116 LINEAR W/33000# 20/40 SAND @ .5-2.0 PPG. MTP 5237 PSIG. MTR 42.4 BPM. ATP 3622 PSIG. ATR 39.3 BPM. ISIP 1680 PSIG. RD SCHLUMBERGER.

 RUWL. SET 10K CFP @ 6280'. PERFORATED Ba FROM 6061'-63', 6122'-23', 6123'-24' (MISFIRE), 6128'-29', 6176'-77', 6184'-85', 6220'-21', 6225'-27' & 6258'-60' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 4155 GAL WF116ST+ PAD, 8418 GAL WF116ST+ W/1# & 1.5# 20/40 SAND, 23679 GAL YF116ST+ W/85200# 20/40 SAND @ 2-4 PPG. MTP 4754 PSIG. MTR 42.3 BPM. ATP 2643 PSIG. ATR 39.4 BPM. ISIP 1530 PSIG. RD SCHLUMBERGER.

 RUWL. SET 10K CFP @ 5875'. PERFORATED Ca FROM 5561'-63', 5570'-73', 5580'-81', 5691'-92', 5721'-22', 5750'-51', 5830'-31' & 5849'-51' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 4124 GAL WF116ST+ PAD, 8406 GAL WF116ST+ W/1# & 1.5# 20/40 SAND, 23241 GAL YF116ST+ W/84300# 20/40 SAND @ 2-4 PPG. MTP 4951 PSIG. MTR 42.6 BPM. ATP 3238 PSIG. ATR 39.8 BPM. ISIP 1680 PSIG. RD SCHLUMBERGER.

 RUWL. SET 10K CFP @ 5525'. PERFORATED Ca FROM 5561'-63', 5570'-73', 5580'-81', 5691'-92', 5721'-22', 5750'-51', 5830'-31' & 5849'-51' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 4146 GAL WF116ST+ PAD, 8411 GAL WF116ST+ W/1# & 1.5# 20/40 SAND, 23621 GAL YF116ST+ W/91640# 20/40 SAND @ 2-4 PPG. MTP 4237 PSIG. MTR 31.5 BPM. ATP 2488 PSIG. ATR 30.0 BPM. ISIP 1550 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 5400'. BLEW WELL DOWN. RDWL. SDFN.

12-22-2007 **Reported By** HAL IVIE
Daily Costs: Drilling \$0 **Completion** \$21,586 **Daily Total** \$21,586
Cum Costs: Drilling \$765,838 **Completion** \$390,919 **Well Total** \$1,156,757
MD 7,420 **TVD** 7,420 **Progress** 0 **Days** 12 **MW** 0.0 **Visc** 0.0
Formation : WASATCH **PBTD : 7374.0** **Perf : 5561' - 7207'** **PKR Depth : 0.0**
Activity at Report Time: DRILLING PLUGS
Start **End** **Hrs** **Activity Description**
 06:00 17:00 11.0 MIRU ROYAL RIG # 1. ND FRAC TREE. NU BOP. RIH W/ BIT & PUMP OFF SUB TO 5400'. RU TO DRILL OUT PLUGS. SWI-SDFN

12-27-2007 **Reported By** HAL IVIE
Daily Costs: Drilling \$0 **Completion** \$48,057 **Daily Total** \$48,057
Cum Costs: Drilling \$765,838 **Completion** \$438,976 **Well Total** \$1,204,814
MD 7,420 **TVD** 7,420 **Progress** 0 **Days** 13 **MW** 0.0 **Visc** 0.0
Formation : WASATCH **PBTD : 7374.0** **Perf : 5478' - 7207'** **PKR Depth : 0.0**
Activity at Report Time: PREP TO SWAB
Start **End** **Hrs** **Activity Description**

06:00 06:00 24.0 SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5400', 5525', 5875', 6280', 6720' & 6970'. RIH. CLEANED OUT TO PBTD @ 7374'. LANDED TBG AT 6988' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. WELL ON VACCUM. SDFN. 6041 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'
 1 JT 2-3/8" 4.7# N-80 TBG 30.25'
 XN NIPPLE 1.10'
 220 JTS 2-3/8" 4.7# N-80 TBG 6943.53'
 BELOW KB 12.00'
 LANDED @ 6987.88' KB

12-28-2007		Reported By		HAL IVIE							
DailyCosts: Drilling		\$0		Completion		\$10,509		Daily Total		\$10,509	
Cum Costs: Drilling		\$765,838		Completion		\$449,485		Well Total		\$1,215,323	
MD	7,420	TVD	7,420	Progress	0	Days	14	MW	0.0	Visc	0.0
Formation : WASATCH		PBTD : 7374.0				Perf : 5478' – 7207'		PKR Depth : 0.0			
Activity at Report Time: SWABBING											
Start	End	Hrs	Activity Description								
06:00	17:00	11.0	SITP 0 PSIG. SICP 50 PSIG. RU TO SWAB. IFL @ 200'. MADE 22 RUNS. RECOVERED 176 BLW. 5865 BLWTR. FFL @ 4700'. CP 200 PSIG. SDFN.								
12-29-2007		Reported By		HAL IVIE							
DailyCosts: Drilling		\$0		Completion		\$7,609		Daily Total		\$7,609	
Cum Costs: Drilling		\$765,838		Completion		\$457,094		Well Total		\$1,222,932	
MD	7,420	TVD	7,420	Progress	0	Days	15	MW	0.0	Visc	0.0
Formation : WASATCH		PBTD : 7374.0				Perf : 5478' – 7207'		PKR Depth : 0.0			
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	SICP 850 PSIG, SITP 600 PSIG, BLEW DOWN IN 1 MINUTE, RU SWAB EQUIP, IFL @ 1500', MADE 6 RUNS, REC 42 BBL, WELL FLOWING. FLOWED TO PIT ON FULL CHOKE F/ 1HR, TURNED TO FLOW BACK TANK, CSG 850 PSIG, TBG 300 PSIG, 32/64 CHOKE. LLTR 5823 BBL. RDMOSU.								
			FLOWED 19 HRS. 32/64 CHOKE. FTP-250 PSIG, CP- 750 PSIG. 22 BFPH. RECOVERED 432 BBLS, 5391 BLWTR								
12-30-2007		Reported By		HAL IVIE							
DailyCosts: Drilling		\$0		Completion		\$2,560		Daily Total		\$2,560	
Cum Costs: Drilling		\$765,838		Completion		\$459,654		Well Total		\$1,225,492	
MD	7,420	TVD	7,420	Progress	0	Days	16	MW	0.0	Visc	0.0
Formation : WASATCH		PBTD : 7374.0				Perf : 5478' – 7207'		PKR Depth : 0.0			
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	FLOWED 24 HRS. 32/64 CHOKE. FTP- 250 PSIG, CP- 600 PSIG. 9 BFPH. RECOVERED 214 BBLS, 5177 BLWTR								
12-31-2007		Reported By		HAL IVIE							
DailyCosts: Drilling		\$0		Completion		\$4,200		Daily Total		\$4,200	

Cum Costs: Drilling	\$765,838	Completion	\$463,854	Well Total	\$1,229,692
MD	7,420	TVD	7,420	Progress	0
Days	17	MW	0.0	Visc	0.0
Formation : WASATCH	PBTD : 7374.0	Perf : 5478' - 7207'	PKR Depth : 0.0		

Activity at Report Time: WO FACILITIES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 8 HRS. 32/64" CHOKE. FTP 200 PSIG. CP 550 PSIG. 4 BFPH. RECOVERED 32 BLW. 5137 BLWTR. WO FACILITIES.

FINAL COMPLETION DATE: 12/30/07

02-02-2008 Reported By DUANE COOK

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$765,838	Completion	\$463,854	Well Total	\$1,229,692
MD	7,420	TVD	7,420	Progress	0
Days	18	MW	0.0	Visc	0.0
Formation : WASATCH	PBTD : 7374.0	Perf : 5478' - 7207'	PKR Depth : 0.0		

Activity at Report Time: INITIAL PRODUCTION-FIRST GAS SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. FIRST GAS SALES: OPENING PRESSURE: TP 600 & CP 1050 PSI. TURNED WELL TO QUESTAR SALES AT 10:00 AM, 02/01/08. FLOWED 280 MCFD RATE ON 12/64" POS CHOKE. STATIC 311.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0281

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			6. If Indian, Allottee or Tribe Name		
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____			7. Unit or CA Agreement Name and No. CHAPITA WELLS UNI		
2. Name of Operator EOG RESOURCES, INC.			Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		
3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202			3a. Phone No. (include area code) Ph: 303-824-5526		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SESW 902FSL 1928FWL 40.04576 N Lat, 109.39081 W Lon At top prod interval reported below SESW 902FSL 1928FWL 40.04576 N Lat, 109.39081 W Lon At total depth SESW 902FSL 1928FWL 40.04576 N Lat, 109.39081 W Lon			8. Lease Name and Well No. CHAPITA WELLS UNIT 720-12		
14. Date Spudded 11/03/2007			15. Date T.D. Reached 12/09/2007		
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 02/01/2008			9. API Well No. 43-047-38696		
18. Total Depth: MD TVD 7420			19. Plug Back T.D.: MD TVD 7374		
20. Depth Bridge Plug Set: MD TVD			10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH		
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/WL/GR			11. Sec., T., R., M., or Block and Survey or Area Sec 12 T9S R22E Mer SLB		
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)			12. County or Parish UINTAH		
13. State UT			17. Elevations (DF, KB, RT, GL)* 4819 GL		

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2256		900			
7.875	4.500 N-80	11.6	0	7419		1210			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	6988							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5478	7207	7010 TO 7207		3	
B)			6780 TO 6943		3	
C)			6342 TO 6699		3	
D)			6061 TO 6260		3	

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
7010 TO 7207	44,832 GALS GELLED WATER & 108,600# 20/40 SAND
6780 TO 6943	45,593 GALS GELLED WATER & 107,600# 20/40 SAND
6342 TO 6699	32,621 GALS GELLED WATER & 33,000# 20/40 SAND
6061 TO 6260	36,252 GALS GELLED WATER & 85,200# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
02/01/2008	02/11/2008	24	→	5.0	434.0	15.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
14/64"	SI	650.0	→	5	434	15		PGW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
	SI		→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #58950 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

RECEIVED

MAR 06 2008

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(*Sold, used for fuel, vented, etc.*)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH	5478	7207		GREEN RIVER	1875
				MAHOGANY	2480
				WASATCH	4830
				CHAPITA WELLS	5413
				BUCK CANYON	6099
				PRICE RIVER	7225

32. Additional remarks (include plugging procedure):
Please see the attached sheet for detailed perforation information.

33. Circle enclosed attachments:

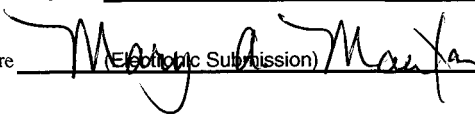
- | | | | |
|-------------------------------------------------------|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7 Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #58950 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MARY A. MAESTASTitle REGULATORY ASSISTANT

Signature


Date 03/05/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Chapita Wells Unit 720-12 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

5561-5851	3/spf
5478-5506	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

5561-5851	35,771 GALS GELLED WATER & 84,300# 20/40 SAND
5478-5506	36,178 GALS GELLED WATER & 91,640# 20/40 SAND

Perforated the North Horn from 7010-11', 7019-20', 7072-73', 7095-96', 7125-27', 7145-46', 7162-63', 7166-68', 7183-84', 7194-96' & 7206-07' w/ 3 spf.

Perforated the North Horn from 6780-82', 6789-90', 6798-99', 6834-35', 6851-52', 6867-68', 6882-83' & 6940-43' w/ 3 spf.

Perforated the Ba from 6342-43', 6384-85', 6424-25', 6457-58', 6489-90', 6525-27', 6564-65', 6587-88', 6639-40', 6658-59' & 6698-99' w/ 3 spf.

Perforated the Ba from 6061-63', 6122-23', 6128-29', 6176-77', 6184-85', 6220-21', 6225-27' & 6258-60' w/ 3 spf.

Perforated the Ca from 5561-63', 5570-73', 5580-81', 5691-92', 5721-22', 5750-51', 5830-31' & 5849-51' w/ 3 spf.

Perforated the Ca from 5478-80', 5491-95', 5500-02' & 5504-06' w/ 3 spf.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 720-12

API number: 4304738696

Well Location: QQ SESW Section 12 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: PRO PETRO

Address: PO BOX 870

city VERNAL state UT zip 84078

Phone: (435) 789-4729

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,340	1,350	NO FLOW	NOT KNOWN
1,750	1,760	NO FLOW	NOT KNOWN

Formation tops: (Top to Bottom)

1	2	3
4	5	6
7	8	9
10	11	12

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A Maestas

DATE 3/5/2008

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550
Address: P.O. BOX 1815
city VERNAL
state UT zip 84078 Phone Number: (435) 781-9111

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-36970	CHAPITA WELLS UNIT 680-06	SESE	6	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
D	16497	4905	11/18/2007	2/5/2008		
Comments: <u>WSTC</u> — <u>3/17/08</u>						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-38696	CHAPITA WELLS UNIT 720-12	SESW	12	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
D	13650	4905	11/20/2007	2/1/2008		
Comments: <u>WSTC</u> — <u>3/17/08</u>						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-38697	CHAPITA WELLS UNIT 721-12	SENE	12	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
D	16463	4905	11/20/2007	1/22/2008		
Comments: <u>WSTC</u> — <u>3/17/08</u>						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Kaylene R. Gardner

Name (Please Print)

Signature

Lead Regulatory Assistant

Title

3/17/2008

Date

RECEIVED

MAR 17 2008

DIV. OF OIL, GAS & MINING